

## JUSTIFICATION FOR AN EXCEPTION TO FAIR OPPORTUNITY

1. Contracting Activity: Department of Veterans Affairs (VA)  
Office of Acquisition and Logistics  
Technology Acquisition Center  
260 Industrial Way West  
Eatontown, New Jersey 07724
2. Description of Action: The proposed action is for a Firm-Fixed-Price Delivery Order (DO) issued under the National Aeronautics and Space Administration (NASA) Solutions for Enterprise-Wide Procurement (SEWP) IV Government Wide Acquisition Contract (GWAC), for Riverbed Technology, Inc. (Riverbed) brand name hardware and software to support VA's requirement for Wide Area Network (WAN) acceleration. The hardware and software shall be delivered in accordance with a phased deliverable schedule ranging from thirty (30) to one-hundred and twenty (120) days after award of the DO. Maintenance and warranty support is also required for a period of twelve (12) months from date of installation to ensure the Riverbed hardware and software remains operational. Additionally there will be two (2) twelve (12) month options for continued maintenance and warranty support. This DO will also consist of an option for installation services for Riverbed hardware and software to be installed in Region 3 sites.
3. Description of the Supplies or Services: The proposed action will provide Riverbed brand name hardware and software such as scaling and performance appliances, WAN appliances, interface back cards, central management consoles, mobile client management controllers, maintenance, warranty support and optional installation services at Region 3 to support the VA's Office of Information and Technology (OIT) bandwidth efficiency strategy. The aforementioned Riverbed brand name hardware and software is required to prevent degraded application performance caused by significant reductions in available network bandwidth. The proposed effort will procure and deploy Riverbed brand name hardware and software that accelerate application performance by orders of magnitude over the current WAN architecture, while reducing the required WAN bandwidth. As VA enterprise continues to grow, the demand for bandwidth required to execute the many VA business processes will escalate to the point of exceeding the capacity of the One-VA network backbone. As demand for the available bandwidth on the network increases, the performance of the applications running across the network decreases. For this reason, VA is engaged in multiple WAN optimization strategies to maximize the efficient use of all available bandwidth. A key component of the bandwidth efficiency strategy is to integrate additional WAN optimization hardware and software at sites that are currently without such equipment. This hardware and software will optimize the performance of applications in a limited bandwidth environment, which makes the applications run significantly faster while reducing the congestion of VA network for major facilities. Approximately 162 Riverbed WAN acceleration systems comprised of the similar Riverbed hardware and software is currently deployed across the VA enterprise. VA has a requirement to expand the current WAN acceleration infrastructure to accomplish much needed WAN performance enhancements to additional VA facilities. In order to achieve maximum efficiency and utilization of the existing

WAN bandwidth, the current WAN infrastructure will be leveraged. The total estimated price of the proposed action is [REDACTED] consisting of [REDACTED] for the base year and [REDACTED] for the options.

4. Statutory Authority: The statutory authority permitting this exception to fair opportunity is Federal Acquisition Regulation (FAR) Subpart 16.505(b)(2)(i)(B) entitled, "Only one awardee is capable of providing the supplies or services required at the level of quality required because the supplies or services ordered are unique or highly specialized."

5. Reason for Authority Cited: Based on extensive market research, as described in paragraph eight, it was determined that limited competition is available for the Riverbed brand name products. Approximately 162 Riverbed brand name WAN acceleration systems consisting of various Riverbed brand name hardware and software have been successfully deployed across four VA regions, as well as throughout VA Central Office (VACO) for several years with no performance related problems. In order to achieve interoperability, compatibility, and optimization throughout VA sites, while avoiding the replacement of the existing VA inventory of equipment, additional WAN hardware and software procured must be interoperable with Riverbed brand name hardware and software currently in use. Additionally, VA is currently involved in a major network transformation effort to support the national data center and cloud computing efforts. This initiative will introduce an "any-to-any" type topology. That topology will require a completely interoperable WAN acceleration solution to function effectively and efficiently. Currently, there is no standard that accounts for interoperability between different manufacturers' proprietary solutions in the full-mesh network topology that VA is deploying. As a result, no other brand name hardware and software can provide a WAN acceleration product that is capable of executing data reduction and protocol optimization with the existing Riverbed WAN acceleration infrastructure. For this reason, connecting two dissimilar accelerators from two different vendors provides no optimization or acceleration benefit and would result in interoperability and compatibility issues with the currently fielded infrastructure which is comprised of Riverbed brand name hardware and software. Only Riverbed brand name technology can meet all of the Government's interoperability and compatibility requirements. Additionally, optional installation services are required for only Region 3 sites in the event that VA personnel cannot perform the installation of the aforementioned brand name hardware and software. Finally, maintenance and warranty support are required and must be provided by a Riverbed authorized reseller. Only a Riverbed authorized reseller can provide support for this proprietary commercial-off-the-shelf hardware and software. Maintenance and warranty support performed by parties not authorized by Riverbed will invalidate product warranties and remove liability for system performance from the manufacturer. Riverbed owns the proprietary rights to its solution.

6. Efforts to Obtain Competition: Market research was conducted, details of which are contained in the market research section of this document. Limited competition is anticipated for the required brand name item and service. Furthermore, in accordance with FAR 5.3 the DO award will be synopsisized on the Federal Business

Opportunities (FBO) Page. In addition, this J&A will be made publicly available on the FBO Page.

7. Actions to Increase Competition: Although the Government is limiting competition as a result of specifying brand name items and services, there are authorized resellers of these products and services on the NASA SEWP IV GWAC. Limited competition for this requirement among these vendors is anticipated. Additionally, this Justification and Approval and the Request for Quote will be submitted to all four NASA SEWP IV GWAC Groups in order to fully notify all interested parties and obtain price competition. Any proposals received will be evaluated. Finally, in order to remove or overcome barriers to competition in future acquisitions for this requirement, the agency will work with the program office to perform additional market research so that other solutions can be considered.

8. Market Research: Market research was conducted by the Government's technical experts within OIT, Enterprise Systems Engineering (ESE) via a Request for Information posted on the NASA SEWP IV GWAC on April 15, 2011. Four (4) responses were received from resellers proposing to use the following brands to meet VA's requirements: Blue Coat Systems, Inc. (Blue Coat); Cisco Systems, Inc. (Cisco), and Riverbed. The Government's technical experts reviewed two (2) responses proposing to use Blue Coat brand name WAN hardware and software and determined that although Blue Coat can meet some of the Government's requirements for this effort, it could not meet all of the Government's needs to include the interoperability and compatibility requirements. Blue Coat brand name hardware and software cannot provide a direct interface to the existing substantial Riverbed WAN acceleration infrastructure nor can it provide acceleration benefits with the Riverbed hardware and software currently fielded. Furthermore, Blue Coat's management console cannot manage accelerators from other vendors. Therefore, the Government's technical experts have determined that the Blue Coat brand name hardware and software does not meet the Government's requirement to provide full functionality of data reduction and protocol optimization with existing accelerators in an "any-to-any" WAN. On May 11, 2011, VA notified the Blue Coat resellers of its findings and conclusions that it cannot satisfy all of VA's aforementioned requirements. The Government's determination regarding lack of interoperability has not been subsequently challenged, however, Blue Coat did challenge the VA's requirement in regard to not re-architecting the entire WAN optimization infrastructure. At the present time, VA's vision is to build upon the existing WAN optimization infrastructure and not re-architect or replace equipment that is currently in place. VA technical experts also reviewed the response proposing to use Cisco brand name WAN hardware and software and determined that it could not meet the interoperability and compatibility requirements. Additionally, Cisco's WAN Acceleration technology does not meet VA's requirement to support the Server Message Block (SMB) v2.0 and v2.1 file sharing protocols between the Windows 7 client and Windows 2008R2 servers including signed connections. On May 11, 2011, VA notified the Cisco reseller of its findings and conclusions that it cannot satisfy the VA's requirement for interoperability with the current WAN infrastructure in addition to failing to meet the VA's SMB requirements. This determination has not been subsequently challenged. The Riverbed brand name hardware and software clearly demonstrated an ability to meet all of VA's requirements. Based on

this market research, the Government's technical experts determined that only Riverbed brand name hardware and software can meet all of VA's requirements.

9. Other Facts: Additional market research was conducted in May 2011 utilizing the NASA SEWP IV GWAC Product Verification and Manufacturer Lookup tool and it was determined that there are twelve (12) authorized resellers of Riverbed brand name hardware and software. Based on this market research, limited competition is anticipated.

10. Technical and Requirements Certification: I certify that the supporting data under my cognizance, which are included in this justification, are accurate and complete to the best of my knowledge and belief.

Richard Degurski

Date: 8 Jun 2011

Project Manager

Signature: 121 PNE

11. Fair and Reasonable Cost Determination: I hereby determine that the anticipated price to the Government for this contract action will be fair and reasonable. Contracts awarded on NASA SEWP IV GWAC have already been determined to be fair and reasonable. As there are twelve (12) potential vendors on NASA SEWP IV GWAC, price competition is anticipated. Finally, the successful quote will be compared to the Independent Government Cost Estimate.

Debra G. Clayton

Date: 6/9/2011

Procuring Contracting Officer

Signature: Debra Clayton

12. Procuring Contracting Officer Certification: I certify that this justification is accurate and complete to the best of my knowledge and belief.

Debra G. Clayton

Date: 6/9/2011

Procuring Contracting Officer

Signature: Debra Clayton

13. Legal Sufficiency Certification: I have reviewed the foregoing justification and approval and deem it legally sufficient.

Kim J. Sawicki

Date: 6/10/2011

Legal Counsel

Signature: Kim Sawicki

Approval

As the Agency Competition Advocate and based on the foregoing justification, I hereby approve a Firm-Fixed-Price Delivery Order (DO) issued under the National Aeronautics and Space Administration Solutions for Enterprise-Wide Procurement IV Government Wide Acquisition Contract, for Riverbed Technology, Inc. (Riverbed) brand name hardware and software to support VA's requirement for Wide Area Network acceleration. Maintenance and warranty support is also required to ensure the Riverbed hardware and software remains operational. This DO will also consist of an option for installation services for Riverbed hardware and software to be installed in Region 3 sites. This action will be issued pursuant to the authority of FAR 16.505(b)(2)(i)(B), subject to availability of funds, and provided that the property and services herein described have otherwise been authorized for acquisition.

Date: 8/27/11

Signature: \_\_\_\_\_

Iris B. Cooper

Iris B. Cooper  
Head of Contracting Activity